



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

August 28, 2008

Ms. Linda Parenti, HR Manager  
Gimbal Brothers, Inc.  
250 Hillsdale Blvd.  
South San Francisco, CA 94080

**TRANSMITTED VIA EMAIL**

Dear Ms. Parenti:

**RE: FINAL MONITORING VISIT REPORT for GIMBAL BROTHERS, INC. – ET06-0321**

(This report is untimely because it was pending information from the Contractor which was necessary to complete the report.)

<b>Date of the Visit:</b>	6/16/2008 via phone conference
<b>Date of Last On-Site Visit:</b>	4/23/08
<b>Persons in attendance:</b>	You, Ms. Linda Parenti, HR Manager, Gimbal; Ms. Ildelisa Gomez, Administrative Assistant, Gimbal Ms. Anna Nastari, Analyst, ETP
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	6/7/2006 – 6/6/2008	<b>Agreement Amount:</b>	\$98,400
<b>Training Start Date:</b>	6/7/2006	<b>No. to Retain:</b>	60
<b>Date Training must be Completed:</b>	3/6/2008	<b>Range of Hours:</b>	24 - 104
<b>Type of Trainee:</b>	Retrainees	<b>Weighted Ave. Hours:</b>	82

## **FINAL REPORT SUMMARY:**

### **• HISTORY OF AGREEMENT CHANGES**

There were no changes made to your Agreement.

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1100 J Street, 4<sup>th</sup> Floor  
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S.F. BAY AREA REGIONAL OFFICE  
1065 East Hillsdale Blvd, Suite 415  
FOSTER CITY, CA 94404  
(650) 655-6930

SAN DIEGO REGIONAL OFFICE  
5353 Mission Center Road, Suite 110  
SAN DIEGO, CA 92108  
(619) 686-1920

- ***INTERVIEW WITH YOU, MS. LINDA PARENTI, HR MANAGER, and the ADMINISTRATOR TO THE ETP AGREEMENT:***

- *What barriers, if any, did your company experience in implementing your ETP project?*

You reported that you did not experience any barriers with implementing the ETP project.

- *What problems, if any, did your company experience with ETP record keeping?*

You mentioned that aside from recording more Literacy Skills training hours than allowable by ETP, you did not experience any problems with the record keeping.

- *What assistance could ETP have provided that would improve the process for future Contractors?*

You replied, "(I) can not think of anything to improve the process. Everything was thoroughly explained, our questions quickly answered. We were extremely pleased with the help we received from our Program Analyst."

- *How did your company benefit from the ETP training?*

"Productivity, efficiencies have increased while waste has decreased. This is a result of front line staff receiving ESL training, re-training on new equipment, cross training on machinery and other positions. Office staff has improved their technical skills and are better able to track customer orders. Processes and procedures have improved, for example, we can now produce 17 pallets of candy during an 8 hour shift, instead of 12 pallets. The end result is that we have a higher performing workforce, and the training will improve the company's competitive position."

***Breakdown and discussion of expected earnings:***

Gimbal's records show that 37 trainees completed training and the 90 day retention period (61.6% of planned retentions). Gimbal's projected earnings to be \$39,157 (39.7% of the encumbered total \$98,400). Current records show that Gimbal's has received \$39,157 in progress payments which has been approved as earned.

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

<b>Trainees Started Training:</b>	62	<b>Completed Training:</b>	37
<b>Dropped Following Enrollment:</b>	25	<b>Completed Retention:</b>	37
<b>Completed Minimum Hours for reimbursement:</b>	37	<b>In Retention Period:</b>	0

You informed Ms. Nastari that during the development of the Agreement Gimbal's prepared a very aggressive training plan and was not able to deliver all of the training that it had initially planned because:

- 1) Gimbal's found that its diverse workforce needed more training in literacy skills than previously assessed, which was necessary for the foundation of the company's training plan;

- 2) Gimbal's expanded its product line to include new product offerings, which required the purchase and training in new equipment operations; and
- 3) Gimbal's started expansion into out-of-state sales, resulting in an increase in production demands.

Gimbal's had to scale back its initial training program to specifically focus on delivering literacy skills and a small portion of the continuous improvement and manufacturing skills. These skills were necessary for the initial development of Gimbal's team workforce and for the implementation of new production processes driven by the expansion of product offerings and acquisition of new equipment.

The Literacy skills component was an essential element for the successful delivery and comprehension of the company's remaining training plan. Therefore, Gimbal's made a monetary investment in providing additional Literacy skills that were in excess of the 45 percent (45%) of the total number of vocational skills allowable by ETP.

Although it may appear that Gimbal's did not achieve a higher reimbursement, the ETP funded training was very beneficial for the company's expansion which also provided its workers with the skills needed to meet the company's changes.

### **Tracking System: Literacy Skills**

At the visit of April 23, 2008, Ms. Nastari reviewed with you and Ms. Gomez, the Class/Lab Training Tracking report generated from the ETP On-Line Tracking system. Ms. Nastari pointed out that several trainees had Literacy hours in excess of 45 percent (45%) of the vocational skills, which ETP could not fund. Although you were aware that ETP could not reimburse Gimbal's for more than the maximum Literacy hours allowable, Gimbal's continued to track the hours in hope that trainees would continue to receive more vocational skills to offset the percentage of Literacy hours. However, once the training ended on March 6, 2008, it became evident that the Literacy hours would have to be reduced to fall within ETP's requirements.

Ms. Nastari provided you and Ms. Gomez with a detailed list of trainees whose Literacy hours had to be reduced. Ms. Nastari assisted you and Ms. Gomez through this process which resulted in a total of 146.65 hours which were dropped from the ETP Tracking system.

### **INVOICES:**

Ms. Nastari assisted Ms. Gomez during the final stages of the invoicing processes. The Final Invoice was completed and submitted on July 16, 2008.

### **AUDIT:**

Gimbal Brothers, Inc. will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment

- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Anna Nastari at (650) 655-6941 or at [anastari@etp.ca.gov](mailto:anastari@etp.ca.gov) within ten (10) working days from receipt of this report.

Sincerely,



Creighton Chan, Manager  
San Francisco Bay Area Regional Office



Anna Nastari, Contract Analyst  
San Francisco Bay Area Regional Office

cc: Contractor's Representatives

Brian McMahon, Executive Director  
Amber Luiz, Assistant Director, ETP, [aluiz@etp.ca.gov](mailto:aluiz@etp.ca.gov)  
Kulbir Mayall, Fiscal Manager  
Master File  
Project File

Date report mailed to Contractor 8/28/2008